

**BUILDING CUSTOMER FOCUSED ORGANIZATIONS FOR SUPERIOR
PERFORMANCE THROUGH CUSTOMER RELATIONSHIP MANAGEMENT**

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ABSTRACT

The biggest mistake anyone can make is to focus on the competitor. You focus on the consumer and you will get it right.

-K B Dadiseth

An understanding of how to manage relationships with customers effectively has become an important topic for both academicians and practitioners in recent years. During the last century, wars were fought for land. But in the new millennium “wars” are being fought for markets. As business gets more and more complicated, no customer base is impenetrable. In today’s world, where paradigm shifts are the order of the day, change is the only factor. Companies are facing new market realities, i.e. changing demographics, more sophisticated customers and over capacity in many industries, leading to fewer customers to go ground. Many companies are now fighting for shares of a relatively flat or sluggish market. In the wake of these changes, Customer Relationship Management has emerged as centric business culture, which helps in effective marketing of the brand. CRM refers to the use of a wide range of marketing, sales and promotional techniques and processes to identify, create and manage customers. Customer satisfaction is directly proportional to expectation management. The present study will provide conceptual framework for customer relationship management that helps broaden the understanding of CRM and its role in enhancing customer value and, as a result, shareholder value. The impact of globalization and worldwide competition has forced firms to modify their strategies toward a real time operation with respect to customer’s requirements. Customer relationship management has become the bridge by which companies get, keep and grow customers. This behavior, together with the possibilities of communication

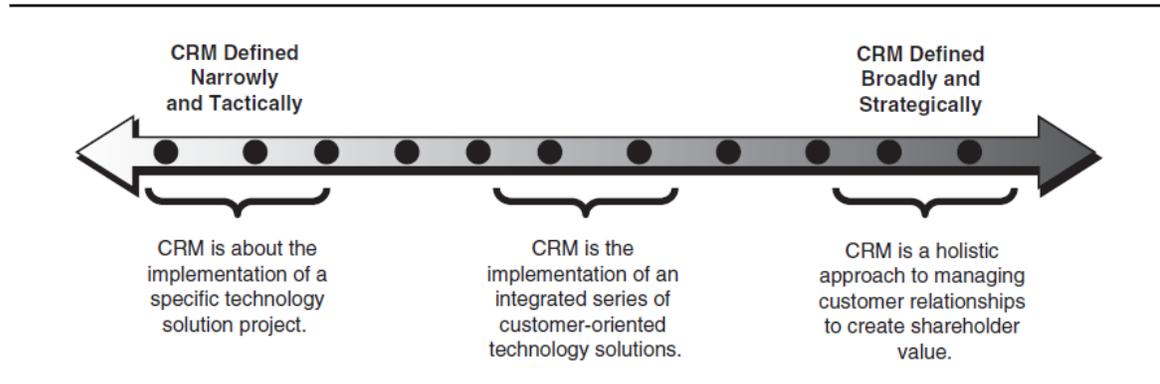
offered by the up to date Information and Communication Technologies, moves the top management toward the concept of extended enterprise in which a collaborative link is established among supplier, commercial partners and customers.

Keywords: Branding, marketing orientation, customer experience management, customer relationship management, shareholder value creation, information technology innovation.

Introduction

Till recently, most marketers have focused on attracting customers from the target segments using marketing mix tools developed for mass marketing during industrial era. The traditional marketing strategies focused on four P'S (Product, Price, Place, and Promotion) to increase the market share. The main concern was to increase the volume of transaction as it was considered as a good measure of the performance of the marketing strategies and tactics. In the present information era, this is proving highly inadequate, calling for a paradigm shift in marketing focus from customer acquisition by outwitting competition to customer retention through customer relationship management. Customer relationship management is a business strategy that goes beyond increasing transaction volume so as to increase profitability, revenue and customer satisfaction. Thus, focusing on individualized customer service can be achieved by adapting new CRM technology to existing tools, opening channels for increased profit and providing better-managed customer interactions. Now a day's organization organizes to become learning, flexible and effective. At a first glance CRM seems to offer a streamlined sequence of processes leading to improved and modified business processes. However the process of implementing CRM is rather far from being streamlined and fast (Ciborra and Failla, 2000). Indeed CRM initiatives could be considered as a strategic approach for systematically targeting, tracking, communicating, and transforming relevant customer data but the path from implementation to adaptation can be very complex, affecting the organization in many aspects. Thus, when implementing a new technology in an organization the managerial processes and cognitive processes of the user change in ways that affect the organization as a whole. In today's dynamic business world, if CRM is implemented effectively it will result in immense benefits to the marketer as well as customer as it has become a vital element for success. Thus, the purpose of marketing is to establish maintain, enhance and commercialize customer relationship so that the objectives of parties involved are met. When the information flows involves each agent of the chain, from suppliers to the final distribution centers, the extended enterprise becomes a virtual firm, which can be defined as a set of stand-alone operational units that acts to reconfigure itself as a value chain in order to adapt to the business opportunities given by market.

FIGURE 1
The CRM Continuum



Source: Journal of Marketing, October 2005

Objectives of the study

1. To explain various perspectives of CRM.
2. To evaluate cross-functional processes that organizations can use to develop and deliver an effective CRM strategy.
3. To emphasize the importance of marketing orientation approach to CRM within a holistic organizational context.
4. To review the role and components of Value Creation process and Information Management process.
5. To study the paradigm shift from Customer Relationship Management to Customer Experience Management.

CRM Perspectives and Definition

In the last two decades, Practitioners and Academics have focused ever more on how firms relate to their markets. This has resulted in the emergence of a sub discipline of marketing referred to as Relationship Marketing. Morgan and Hunt (1994) defined Relationship marketing as the marketing activities directed toward establishing, developing, and maintaining successful relational exchanges. Relationship marketing attempts to involve and integrate customers, suppliers and other infrastructural partners into a firm's developmental and marketing activities (McKenna 1991; Shani and Chalasani 1991). Wilson (1995) summarized different relationship variables that affects the relationship of firm with different stakeholders, those variables are *Commitment, Trust, Cooperation, Mutual Goals, Interdependence and Power, Performance Satisfaction, Structural Bonds, Comparison Level of Alternatives, Adaptation, Non-retrievable Investments, Shared Technology, and Social Bonds*. Morgan and Hunt (1994), while discussing relationship variables focused more on

commitment and trust as a major variable affecting relationship between different parties involved in marketing transaction & exchange.

The Nordic School emphasized on marketing as a cross functional process. For maintaining relationships marketing function should be carried out by all employees and departments, it is no more concentrated in marketing department as a specialist function (Gronroos, 1989). International Marketing & Purchasing (IMP) group looks at B2B markets. In industrial marketing, relationships are built over time with increasing experience, reduction of uncertainty, greater commitment in each others (Ford, 1980). Anglo Australian school of thought believes in quality and service of marketing with focus on delivering customer value. Customer judges the value of the product or service from benefits perceived from it compared with its cost of ownership. The better value delivered by the firm, better is the customer relationship (Christopher, 1996). Whatever school you follow it is the customer retention which is the base of relationship marketing (Rosenberg & Czepiel, 1984). CRM is the new-fangled sprouting issue in relationship marketing with focus on cooperative and collaborative relationship between a company and its customers. "Customer Relationship Management is a comprehensive strategy and process of acquiring, retaining and partnering with selective customers to create superior value for the company and the customer. It involves integration of marketing, sales, customer service and supply chain functions of the organization to achieve greater efficiencies and effectiveness in delivering customer value" (Sheth & Parvatiyar, 2001).

"The heart of marketing is relationships and that nurturing long term relationships should be the goal of marketing practice."

CRM represents the marriage between the customer orientation and the emerging information technology to produce a memorable relationship experience to the marketers as well as to the customers (Agrawal, 2003). CRM can be considered as a tool for delivering marketing dream to enjoy long term relationship with customers, especially with the profitable ones (Pearson, 1995). Finally it can be said that CRM is not the end, it's a means to ensure long term success of marketing effort.

In the academic community, the terms "relationship marketing" and CRM are often used interchangeably (Parvatiyar and Sheth 2001). However, CRM is more commonly used in the context of technology solutions and has been described as "information-enabled relationship marketing" (Ryals and Payne 2001, p. 3). Zablah, Beuenger, and Johnston (2003, p. 116) suggest that CRM is "a philosophically-related offspring to relationship marketing which is for the most part neglected in the literature," and they conclude that "further exploration of CRM and its related phenomena is not only warranted but also desperately needed." The term CRM can as well be an acronym for any of the following cognate marketing terms:

- Caring Relations Management (CRM)
- Continuous Relations Management (CRM)
- Creative Relations Management (CRM)
- Customer Retention Management (CRM)

- Customer Return Management (CRM)
- Cost Reduction Management (CRM)
- Cost and Return Management (CRM)

The various organizations are having problem regarding implementing CRM as they are not clear with regard to the constituents of CRM. There are diverse views about CRM some considers it as an e-commerce solution and some viewed it as populating a data warehouse or data mining. Thus, lack of widely accepted and appropriate explanation of CRM may lead to unsuccessful attempt towards its implementation as it viewed CRM from a limited technology perspective or undertakes CRM on a fragmented basis. Thus, there are considerably diverse viewpoints with regard to the definitions and descriptions of CRM. An important aspect of CRM definition can be incorporated with technology. This aspect is considered important because CRM technology is often equated incorrectly with CRM (Reinartz, Krafft, and Hoyer 2004), and a key reason for CRM failure is viewing CRM as a technology initiative (Kale 2004).

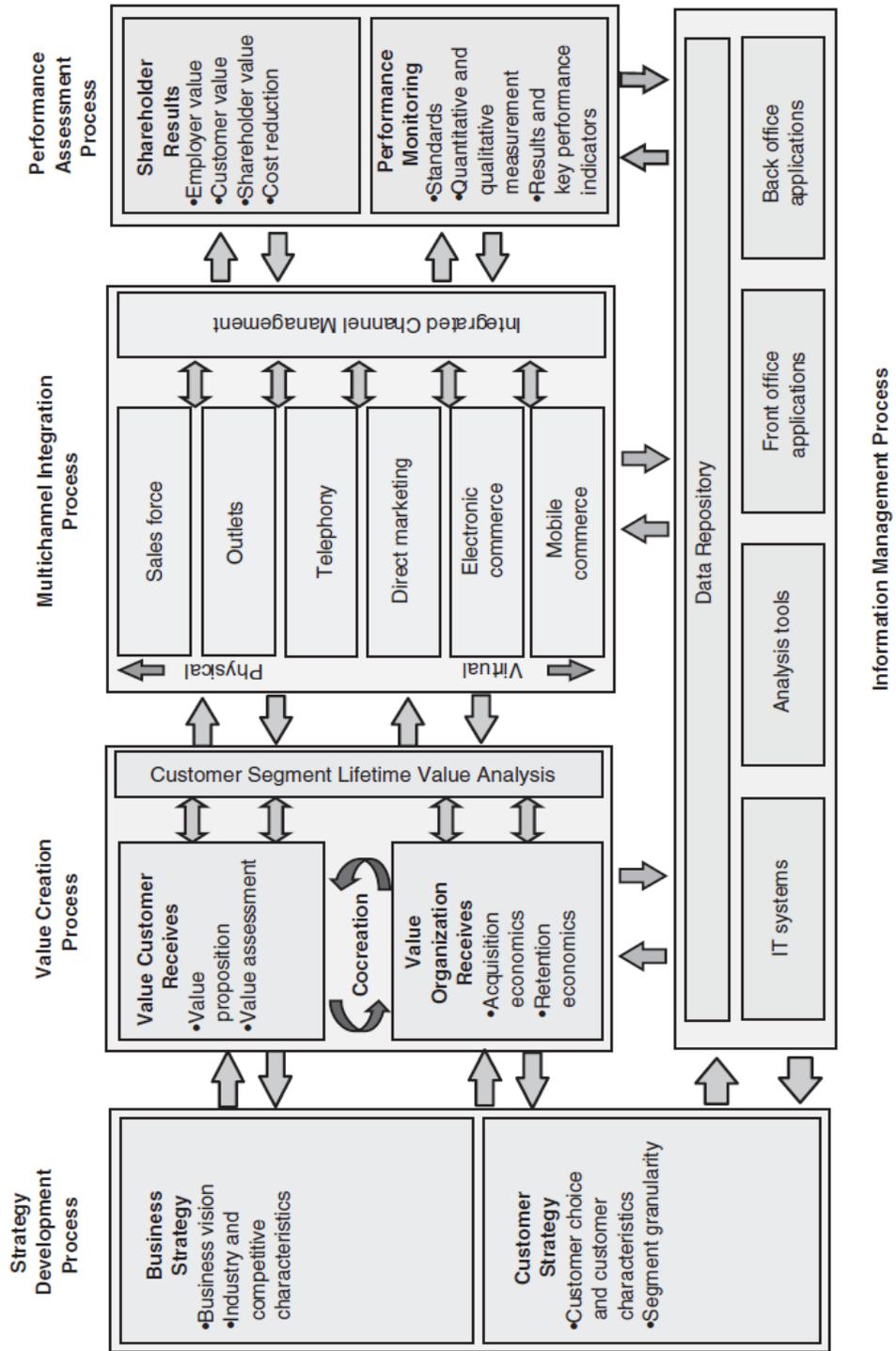
The various CRM attempts to provide a strategic bridge between information technology and marketing strategies aimed at building long-term relationships and profitability. This requires “information-intensive strategies” (Glazer 1997). CRM is data-driven marketing (Kutner and Cripps 1997). CRM can be viewed as an application of one-to-one marketing and relationship marketing, responding to an individual customer on the basis of what the customer says and what else is known about that customer (Peppers, Rogers, and Dorf 1999). CRM is a management approach that enables organizations to identify, attract, and increase retention of profitable customers by managing relationships with them (Hobby 1999). CRM involves using existing customer information to improve company profitability and customer service (Couldwell 1999). CRM includes numerous aspects, but the basic theme is for the company to become more customer-centric. Methods are primarily Web-based tools and Internet presence (Gosney and Boehm 2000). CRM is an enterprise approach to understanding and influencing customer behavior through meaningful communication to improve customer acquisition, customer retention, customer loyalty, and customer profitability (Swift 2000). CRM is an e-commerce application (Khanna 2001). CRM is a term for methodologies, technologies, and ecommerce capabilities used by companies to manage customer relationships (Stone and Woodcock 2001). CRM is an enterprise wide initiative that belongs in all areas of an organization (Singh and Agrawal 2003). CRM consists of:

- Helping an enterprise to enable its marketing departments to identify and target their best customers, manage marketing campaigns and generate quality leads for the sales team.
- Assisting the organization to improve telesales, account, and sales management by optimizing information shared by multiple employees, and streamlining existing processes (for example, taking orders using mobile devices)

- Allowing the formation of individualized relationships with customers, with the aim of improving customer satisfaction and maximizing profits; identifying the most profitable customers and providing them the highest level of service.
- Providing employees with the information and processes necessary to know their customers understand and identify customer needs and effectively build relationships between the company, its customer base, and distribution partners.

The basic proposition of a CRM strategy is based on the age-old idea that knowledge, understanding, and serving the customer is the best method developing a sustainable competitive advantage. But building a sustainable and successful relationship with a large customer base is not the easiest thing to do and carries a direct impact on many core operational processes. At the heart of a perfect CRM strategy is the creation of mutual value for all the parties involved in the business process. It is about creating a sustainable competitive advantage by being the best at understanding, communicating, and delivering values to the existing customers in addition to creating and keeping new customers. It addresses to the changing needs of the customers by developing products and services that continuously seek to satisfy the lifestyle and need patterns of individual customers. Organizations tend to acquire a structure around customer segments and not on the basis of product lines to deliver customer satisfaction.

FIGURE 2
A Conceptual Framework for CRM Strategy



Source: Journal of Marketing, October 2005

Review of Literature:

In the marketing literature the terms customer relationship management and relationship marketing are not distinguished from each other and can be used interchangeably.

Shapiro and Moriarty (1980) found that Companies started to insist upon new purchasing approaches such as national contracts and master purchasing agreements, forcing major vendors to develop key account management programs. These measures created intimacy and cooperation in the buyer seller relationships. Instead of Purchasing a product or service, customers were more interested in buying a relationship with a vender.

In 1981 Levitt, Gronro (1990), Gummerson (1987), in their study of service marketing, proposed that attracting new customers should be viewed only as an intermediate step in marketing process. Developing closer relationship with these customers and turning them into loyal ones are equally important aspects of Marketing.

The IMP interaction model (Hakansson 1982) was based upon insights obtained on more than 300 industrial marketing relationships. By identifying the interactions among actors, the IMP model traces the nature and sources of relationship development. The IMP model and its research approach have become a tradition for many scholarly research endeavors in Europe over the past 15 years or more. (Resenberg and czepiel 1984): As several studies have indicated, retaining customer is less expensive and perhaps a more sustainable competitive advantage than acquiring new ones. Marketers are realizing that it costs less to retain customers than to compete for new ones.

Jackson (1985) applies the individual account concept in industrial markets to suggest CRM to mean, "Marketing oriented towards strong, lasting relationships with individual accounts.

Dwyer schurr and oh (1987) have characterized Cooperative relationships as being interdependent and long term oriented rather than being concerned with short-term discrete transactions. Hayes et. Al. 1988; spekman: On the supply side it pays more to develop closer relationships with a few suppliers than to develop more vendors.

Paul (1988), O' Neal (1989) Doyle and Roth (1992) have proposed similar views of customer relationship management i.e. "Marketing oriented towards strong, lasting relationships with individual accounts".

Gronroos and Gummesson (1990), take a broader perspective and advocate that customer relationship ought to be the focus and dominant paradigm of marketing. Gronroos (1990) states: "Marketing is to establish, maintain and enhance relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met. this is achieved by a mutual exchange and fulfillment of promises".

Berry and Parsuraman (1991); Bitner (1935); Crosby and Stephens (1987); Crosby et.al. (1990); Gronroos (1995), proposed that a greater emotional bond between the service provider and the service user also develops the need for maintaining and enhancing the relationship. It is therefore not difficult to see that CRM is important for Scholars and practitioners of service marketing.

Bickert (1992), A narrow perspective of customer relationship management is data base marketing emphasizing the promotional aspects of marketing linked to database efforts. Vavra (1992) had given a narrow, yet relevant, viewpoint is to consider CRM only as

customer retentions in which a variety of after-marketing tactics are used for customer bonding or staying in touch after the sale is made.

Peppers and Rogers (1993), a more popular approach with recent application of information technology is to focus on individual or one to one relationship with customers that integrate database knowledge with a long term customer retention and growth strategy.

Dick and Basu (1994); Reicheld (1996) gave the view that in the current era of hyper competition, marketers are forced to be more concerned with customer retention loyalty.

Sheth and Parvatiyar (1995) observed that developing customer relationships has historical antecedents going back into the pre-industrial era. Much of it was due to direct interaction between producers of agricultural customized product for each customer. Such direct interaction led of relational bonding between the producer and the consumer.

Sheth and Sisodia (1995), there is greater opportunity for cross selling and up selling to a customer who is loyal and committed to the firm and its offerings. In the world of ever changing customer expectations, co-operative and collaborative relationship with customers seem to be the most prudent way to keep track of their changing expectations and appropriately influencing it.

Storbacka, (2000), observed that another important facet CRM is “Customer selectivity”. As several research studies have shown that not all customers are equally profitable for an individual company. The company must be selective in tailoring its program and marketing efforts by segmenting and selecting appropriate customers for individual marketing programs.

Ravi Kumar Sharma (2005) in his study related to CRM in health care sector observed that while the sector has immense potential, the need of the hour is to become customer centric by adopting customer relationship management (CRM).

Anitha Dilipan; Nitha Rajan (2005) Customer innovation is that the product enables the customers to feel that the product has been made for him alone, thus achieving the exact functionality of the product and providing real customer satisfaction.

A marketing orientation towards CRM:

"Only those who become attached to their customers, figuratively and literally will survive".

- Tom

Peters

CRM is a comprehensive strategy and process of acquiring, retaining, and partnering with selective customers to create superior value for the company and the customer (Parvitiyar and Sheth 2001). CRM is about the development and maintenance of long term, mutually beneficial relationships with strategically significant customers (Buttle 2001). Customer Relationship Management is a company-wide business strategy designed to reduce costs and increase profitability by solidifying customer loyalty. True CRM brings together information from all data sources within an organization (and where appropriate, from outside the organization) to give one, holistic view of each customer in real time. This allows customer facing employees in such areas as sales, customer support, and marketing to make quick yet informed decisions on everything from cross-selling and upselling opportunities to target marketing strategies to competitive positioning tactics. The business strategy process can commence with a review or articulation of a company's vision, especially as it relates to CRM (e.g., Davidson 2002).

CRM represents a logical end of the philosophy that the business should be customer oriented. It traversed successive strains of thoughts to reach what is now viewed as a new business paradigm. The diverse and uncertain environment has forced organizations to restructure themselves in order to enhance their chances to survival and growth. The restructuring efforts have included, among others, the emergence of the "new paradigm" which is commonly referred as Customer Relationship Management (CRM). Customer Relationship Management business strategy places the customer at the center of the organizations' universe. Relationships in today's world are more important than anything else which an organization wishes to maintain with their associations. It has become extremely important for all organizations to maintain rich and fruitful relationships, and it has become even more and more important to sustain them to be rewarding forever. For instance, the early marketing paradigms prevalent until the sixties, ordained marketers to satisfy customer needs that were essentially nature created. Later in the seventies, the marketing functions served the customers wants that were nothing but 'specific solutions' to the needs and were the outcome of the marketing initiatives. Marketing thoughts of the eighties devoted themselves to meet the higher, more lifestyle oriented demands and expectations of customers. These were the result of the then social and economic environment. The nineties witnessed the most potent force of our times, information technology. Naturally marketing thoughts focused on how to leverage on the same and serve the customers (Kotler, 2000). One of the falls out of the era is Customer relationship management. CRM thus, represents 'the marriage between the customer orientation and the emerging information technology to produce a memorable relationship experience to the marketers as well as to the customers.

“The cost of retention is \$180 per customer, he says. But most automatic dealerships are set up for customer acquisition- which is crazy when you consider the average cost of customer acquisition is \$ 1,000 or more. “

– Arthur Hughes



The primary objective of most organization is customer acquisition followed by customer retention. Acquisition is a vital stage in building a customer relationship and a focused and contextual interaction with the customers with respect to their roles as initiators, influencers, deciders, buyers and users is required by an organization while moving towards growth or success. A vital strategy to achieve acquisition is to initiate a forum for open and integrated channels of communication and to alleviate any doubts or fears in the minds of the customers. A good CRM strategy aims at providing a win-win platform for both the organization

and the customer by paying adequate information to the process of adoption by focusing on options available to customers. The idea is to keep the customer aware about the developments in the organization and providing clarifications to any information circulating in the environment. An important requirement of a good Customer Information Management system is that it acquires customer database and feedback, serves as an active listing mechanism and forms relationship with customers by focusing on the perspective, hence achieving Customer Retention. Customer retention is the process of keeping customers loyal to a company for an unending period by meeting the needs and expectations of customers. The benefits of customer relationship management are abounding. It allows organizations not only to retain customers, but enables more effective marketing, creates intelligent opportunities for cross selling and opens up the possibility of rapid introduction of new brands and products. To be able to deliver these benefits, organizations must be able to customize their product offering, optimize price, integrate products and services and deliver the service as promised and demanded by the customer base.

The Indian Pharmaceutical industry today is among the front ranks of the country's science based industries with wide ranging capabilities in the complex field of drug manufacture & Technology. In today's world, where paradigm shifts are the order of the day, change is the only constant factor. In the wake of these changes, Customer Relationship Management (CRM) has gained greater importance. In such a competitive environment where pharmaceuticals Industry is flooded with leading pharma names such as Novartis, Glaxo Smithkline, Roche, AstraZenica, Wyeth, Eli Lilly, Merck, Pfizer and Novo Nordisk etc. producing different brands of the same molecules. Thus, it is required that companies should adopt appropriate marketing skills rather than depending on trading skills. CRM in pharmaceuticals deals with the use of a wide range of marketing, sales and promotional techniques and process to identify manage and create customers. Customer relationship management includes relationship marketing which represents the process of creating, maintaining and enhancing strong value added relationship with customers and stakeholders. The marketer needs to create value for chosen customer segments and make the customers more loyal and thereby ensure sustained long term profitability. They develop the marketing tools to perform these functions more efficiently than competitors. The customer loyalty ladder is a useful tool for enhancing awareness and scope for customer segmentation opportunities. There are three pillars of CRM which maintains the loyalty built over a period of time i.e. customer acquisition, customer retention and strategic customer care. Thus, CRM is the establishment, development, maintenance and optimization of long term mutually beneficial relationship between customer and companies.

The aim of customer relationship management is to produce high customer equity. Customer equity is the total of the discounted lifetime values of all of the firm's customers. Clearly, the more loyal the customers are, the higher the customer equity. Rai Zeithmal and Lemon distinguish three drivers of customer equity: value equity, brand equity and relationship equity. Value equity is the customer's objective assessment of the assessment of the utility of an offering based on perceptions of its benefits relative to its costs. The sub drivers of value equity are quality price and convenience. The specific factors underlying a sub driver in order to find programs to improve value equity varies with the industry. Like Airline passengers define quality as seat width; a hotel guest might define quality as room

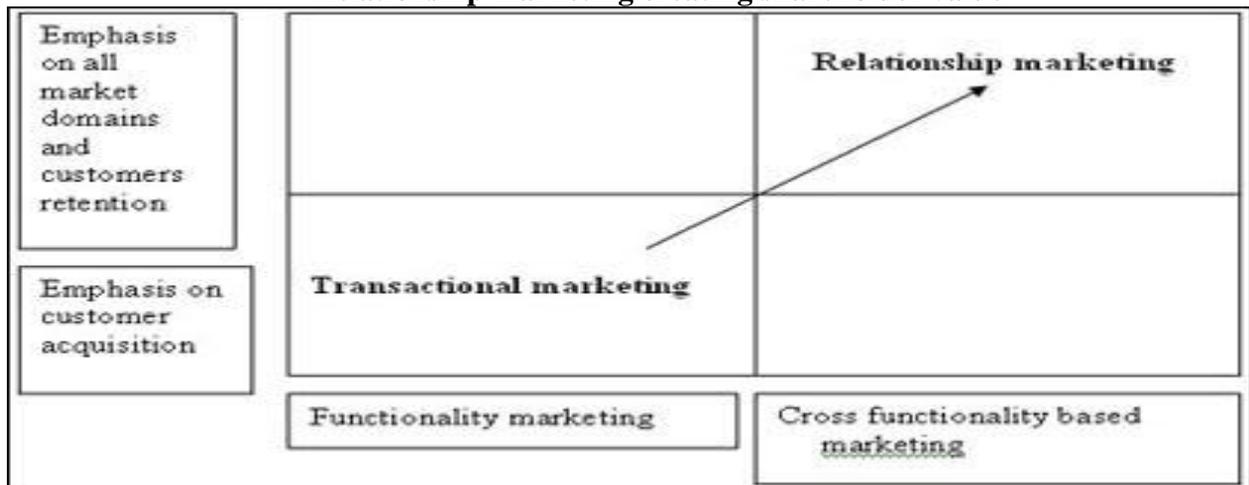
size. Thus, value equity makes the biggest contribution to customer equity when products are differentiated. Value equity especially directs customer equity in business markets. Brand equity is the customer’s objective and intangible assessment of the brand, above and beyond its objectively perceived values. The sub drivers of brand equity are customer brand awareness, customer attitude towards the brand and customer perception of brand ethics. The various tools that affect these sub drivers are various modes of advertising, public relation and other communication tools. Brand equity has more emotional impact and considered to be more important than other drivers of customer equity. It is immensely beneficial to the brand marketers as it helps in not only retaining the customers but also enables more effective marketing. It will also result in expansion of market share and a profit of the brand. Thus, CRM is the commitment of the brand to put customer experience at the centre of its priorities and considered as the customer centric business culture. Relationship equity is the customer’s tendency to stick with the brand and includes loyalty program me, special recognition program me, communication building programme and knowledge building programme.

Value Creation Process:

Customer relationship management does not enable a quick win. It is a long-term approach that has to be adopted at a strategic level. Whilst the value of customer relationship management has been identified by organizations, they are yet to look at the bigger picture and understand all of associated benefits that would enable their business strategies to be successful. Those responsible for delivery are perhaps the most informed about these strategic benefits yet the transformation is long-drawn-out process. The competencies required to deliver these customer benefits are: to deliver on its service promise, integrate products and service channels effectively, customize products & service and their respective prices, create opportunities for cross selling and delivery mechanisms for the onward promotion of these products and services and reduce the gestation period to market by allowing quick and effective introduction of new products and services. **IBM Technologies** proposes CRM value proposition which helps the clients to define and build agreement on how CRM could create value for the organization. It also enable the organization to identify the truly value-creating initiatives and weed out the clutter from initiatives across the enterprise.

FIGURE 4

Relationship marketing creating shareholder value



Source: Relationship marketing creating shareholder value: Christopher, Payne, Ballantyne; (2002)

Information Management Process:

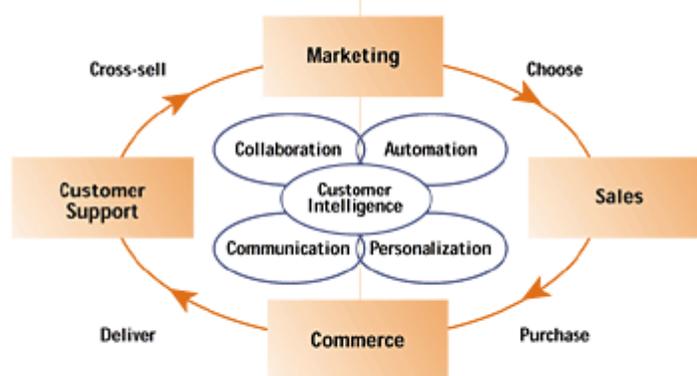
The information management process is concerned with the collection, collation, and use of customer data and information from all customer contact points to generate customer insight and appropriate marketing responses. Gartner segments vendors of CRM applications and CRM service providers into specific categories (Radcliffe and Kirkby 2002), and Greenberg (2001) and Jacobsen (1999) provide detailed reviews of CRM vendors' products. The key segments for CRM applications are Integrated CRM and Enterprise Resource Planning Suite (e.g., Oracle, PeopleSoft, SAP), CRM Suite (e.g., E.piphany, Siebel), CRM Framework (e.g., Chordiant), CRM Best of Breed (e.g., NCR Teradata; Broadvision), and "Build it Yourself" (e.g., IBM, Oracle, Sun).

Customer Relationship Management goes beyond sales, marketing and customer-service applications into business intelligence, analytics, hosted applications, mobile capabilities and much more! By thinking more insightfully in this matter, one can focus all the resources on attracting and keeping the right type of customers.

This focus, in turn, will make CRM efforts more productive and helps in better positioning, better innovation and growth. Customer Relationship Management continues to be the most vibrant, critical and evolving technology category in today's market. CRM today is no longer just about enterprise software. Rather, today's CRM is a flexible solution where you can mix software, hosted services and other components to meet your specific business needs. CRM is "an IT enhanced value process, which identifies, develops, integrates and focuses the various competencies of the firm to the 'voice' of the customer in order to deliver long-term superior customer value, at a profit to well, identified existing and potential customers". The information management process provides a means of sharing relevant customer and other information throughout the enterprise and "replicating the mind of the customer."

FIGURE 5

Customer Interaction + Customer Intelligence = Customer Relationship Management



Source: Adapted from Extraprise Reports

A paradigm shift from customer relationship management to total customer experience management:

Due to intense competition, higher customer and shareholder expectations, and geographically dispersed business units are amplifying market pressures on businesses to achieve operational excellence. According to a 2008 Economist Intelligence Unit survey, sponsored by SAP, senior executives rank end-to-end visibility into operations as the top requirement for achieving operational excellence. In many enterprises, operational silos that evolved organically with organizational growth represent the core challenge preventing manufacturing and services businesses from having a holistic view into their operations. The term managing broadly implies retaining customers by providing appropriate services to them in time. Thus, the need of the hour is to call for a paradigm shift in marketing focus from customer acquisition by outwitting competition to customer retention and customer loyalty through customer relationship management.

The industry wide interest in Customer Relationship Management is created out of a need to curb alarming customer attrition. Retaining a customer is far less costly than acquiring a new one or gaining one from a competitor by offering very attractive switching options. Customer experience refers to the customer's perception of various interactions with a brand through the sales and service processes and product usage. Customer Experience Management means managing customer interactions to build brand equity and long-term profitability. Customer retention and customer perceived value can be improved by managing customer interactions under the wider perspective. The focus should shift from operations and service based CRM to total CEM by analyzing the multipoint customer interactions and understanding that customer satisfaction needs a holistic approach covering all possible contact points through which customer experience is delivered.

IBM Customer relationship management strategy focuses on customer satisfaction by using visioning and diagnostic tools, our CRM strategy offerings can help you design a customer-centric business approach and build a CRM roadmap that will transform the way your company interacts with its customers. CRM transformation program helps in implementing the same through process, technology and organization change programs driven by business imperative (e.g., customer retention).The potential benefits of CRM strategy includes alignment of the vision with shareholder and customer value, Alignment of the strategy with the operations (marketing, sales, and service) by linking the value proposition with customer-facing process or channel. Thus, Customer Relationship Management combines business processes, people, and technology to achieve one goal i.e. to keep the customers satisfied.

Wipro Technologies maintains that through its mature processes and metrics driven approach it has optimized their supply chain enabling them to provide superior service to their customers. This has led to returns in terms of retention of existing customers and attracting new ones." It also suggests that distributors require a holistic view of the lead to order process and also true marketing ROI visibility to plan and execute their Customer relationship management (CRM) initiatives. Thus, various distributors are now automating sales tasks like opportunity management and lead management to link them up with back office inventory

management and accounting systems. Besides, the several portal solutions for clients have also been developed which helped them increase service levels and cut costs by providing customer self service options.

A case study of Bharti

Bharti Tele-Ventures is one of India's leading private sector telecom operators. Its cellular business, AirTel, is a leading mobile telephony brand. Bharti considers information technology a key business enabler because for telecom, IT is like bread and butter. According to Amrita Gangotra, Vice President of Information Technology at Bharti, information technology plays an important role because it works as a support system and also becomes a business driver. Bharti is having a large infrastructure based on products from multiple vendors and business volumes are also very large. The records that are being processed in a day are in millions and storage is in terabytes. It also has a storage area network (SAN) and various applications are being run on the network like billing, fraud management, revenue assurance, data warehousing, Oracle Financial and Oracle HRMS.

Initially, the whole system was run on manual basis and Bharti was able to solve only 40 percent of customer issues and the present data reveals that it has gone up to 90 percent. It is vital for the company to manage the expectations of the customers and provide them with innovative products and services so as to retain them. In order to achieve this, right tools are required and thus the need has arisen to opt for the (customer relationship management) solution.

Bharti has started implementing the CRM tool in various circles without affecting the customer base. It was started in 14 to 15 circles in the beginning. The biggest challenge for Bharti was to have a unified process in place. They had certain technical difficulties during implementation but they were able to overcome them. The CRM strategy at Airtel revolves around two aspects: operational CRM and analytical CRM. Operational CRM is related to helping their Call Centers in the workflow part, helping them in their day-to-day activities. Analytical CRM provides staff with the required information on customers; this is used for business development activities. Thus, the blending of these two helped Bharti to provide better services to its customers.

It is also very important to understand and segregate the customer needs depending upon the product and services, thus, segmentation of the customer was done which resulted in providing more value for money to its customers. With the help of CRM, the customers are over flown with different schemes and services which are tailor made. Apart from this, they have also managed to segregate their workflow with the help of the CRM tool.

Conclusion

The concept of CRM is premised on a simple logic of business- it must keep tracking customers once attracted; retain them in business portfolio; and, profit from their growth.

Shorn of all managerial jargons, CRM epitomizes a 'marriage of relationship marketing with the emerging information technology. CRM will be more strategy driven, and thus be able to concentrate on what customer expects from the relationship. CRM technology will return to the role of an assisting tool. The 'final take' for the CEOs will be that CRM is and can be a vehicle for cultural change and integration in the organization. In short, a true CRM encourages a relationship view of the world that goes beyond customers, includes multi-members and facilitates corporate renaissance. Globalization and competitiveness is not merely a choice before business and industry; it is more of necessity in today's world. We have before us the example of Japan, which has become the fastest-growing-grown economy in the world today. With almost no natural resources, Japan has emerged as an economic Super-power just because its industry functions on the premise that its market is global, and that it has to produce a product which is better than the best to stay as the number one globally. Now, China has become a key-neighbor competitor for India.

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